

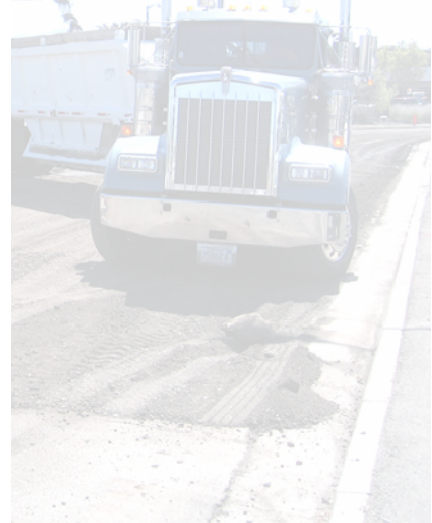
MONTANA DEPARTMENT OF TRANSPORTATION

HIGHWAY PROJECT COST ESTIMATING AND MANAGEMENT (HPCE)



CONTRACT#: 308059, RESEARCH PROJECT#: 8189

DATE: JUNE 14, 2007
MONTHLY PROGRESS REPORT # 3
PERIOD: MAY 1, 2007 – MAY 31, 2007



PREPARED BY:

 SIERRA TRANSPORTATION ENGINEERS, INC.
1005 TERMINAL WAY, SUITE 125
RENO, NV 89502

PREPARED FOR:

Montana Department of Transportation
2701 Prospect Avenue
P.O. Box 201001
Helena, MT 59620-1001

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INTRODUCTION

Sierra Transportation Engineers, Inc. (STE) is pleased to provide its third monthly progress report for Montana Department of Transportation (MDT) contract number 308059, titled "Highway Project Cost Estimating and Management (HPCE)." This monthly progress report covers the period May 1, 2007 to May 31, 2007.

The overall objective of this project is to develop a comprehensive document to determine the best practice of efficient highway cost estimating for Montana. Upon completion of this research, recommendations are to be made for improvements to the current cost estimation process.

The specific tasks identified in the project work plan are:

- Task 1 - MDT's Structure, Operations, and Current Process
- Task 2 - Critical Review of NCHRP 8-49 Literature Review
- Task 3 - Recommendations
- Task 4 - Consultant Visits and Schedule
- Task 5 - Develop Detailed Strategic Procedure
- Task 6 - Implementation Plan

The following paragraphs describe the work accomplished during this reporting period under each task.

TASK 1 – MDT'S STRUCTURE, OPERATIONS, AND CURRENT PROCESS

During this reporting period STE continued its efforts on understanding MDT's current structure, operations and procedures for cost estimation. A draft data request template called MDT HPCE data request template was created using MS Excel spreadsheets. STE provided an electronic copy of the template to MDT for review and comment on April 13, 2007. During the month of May, STE team worked closely with the MDT Project Manager and Project Panel to customize the data request template to follow MDT practices. A conference call was held on May 17 between MDT and STE to discuss the data request template. Once the template is finalized, it will be used to provide project cost data to STE on at least 10 (and preferably 20) MDT projects. As discussed in the kick-off meeting, STE will request data on projects of different types, categories, and from different districts. STE will also ask for projects that were under, over, and close to the original base cost.

During this reporting period STE continued working with the panel on finalizing definitions for base cost and project categories and providing feedback on some of the terminologies used in the MDT HPCE data request template.

STE also provided its pre-trip questions and survey for different project stages to MDT. The different stages of the project include: planning, programming, advanced planning/preliminary design, final design, ad/bid/award, and construction. MDT Panel provided timely responses to the questions and surveys.

Worked planned for next month

STE will continue reviewing the current MDT structure, operations, and processes. In particular, STE will work with the panel to finalize the MDT HPCE data request template. STE will also schedule a visit to MDT to gather additional information about MDT current cost estimating practices by interviewing MDT personnel and private entities involved the process. STE will work closely with the project panel to identify the interviewees and schedule the meetings.

TASK 2 – CRITICAL REVIEW OF NCHRP 8-49 LITERATURE REVIEW

During this reporting period STE continued its review of NCHRP Report 574, "Guidance for Cost Estimation and Management for Highway Projects During Planning, programming, and Preconstruction." STE utilized NCHRP 8-49 findings in developing its pre-trip questions and surveys, which was submitted to MDT on May 17, 2007.

Worked planned for next month

STE will continue reviewing the NCHRP 8-49 report and its literature review.

TASK 3 – RECOMMENDATIONS

No work was conducted for this task during this reporting period. However, the scope of activities under this task was thoroughly discussed with the MDT project panel during the kick-off meeting.

Worked planned for next month

Work on the recommendation task will start in June.

TASK 4 – CONSULTANTS VISITS AND SCHEDULE

No work was scheduled nor conducted for this task during this reporting period. However, the scope of activities under this task was thoroughly discussed with the MDT project panel during the kick-off meeting.

Worked planned for next month

Consultant visits will be scheduled for July.

TASK 5 – DEVELOP DETAILED STRATEGIC PROCEDURE

No work was scheduled nor conducted for this task during this reporting period. However, the scope of activities under this task was thoroughly discussed with the MDT project panel during the kick-off meeting.

Worked planned for next month

No activity planned.

TASK 6 – IMPLEMENTATION PLAN

No work was scheduled nor conducted for this task during this reporting period. However, the scope of activities under this task was thoroughly discussed with the MDT project panel during the kick-off meeting.

Worked planned for next month

No activity planned

PROJECT SCHEDULE AND FINANCIAL SUMMARIES

Figure 1 shows the project expenditures versus planned budget for each task. Figure 2 represents the cumulative project expenditures versus budget for the entire project to date.

All project activities are per schedule and the project is within planned budget. STE does not foresee any problems to report.

Figure 1. Expenditures Versus Planned Budget for Each Task

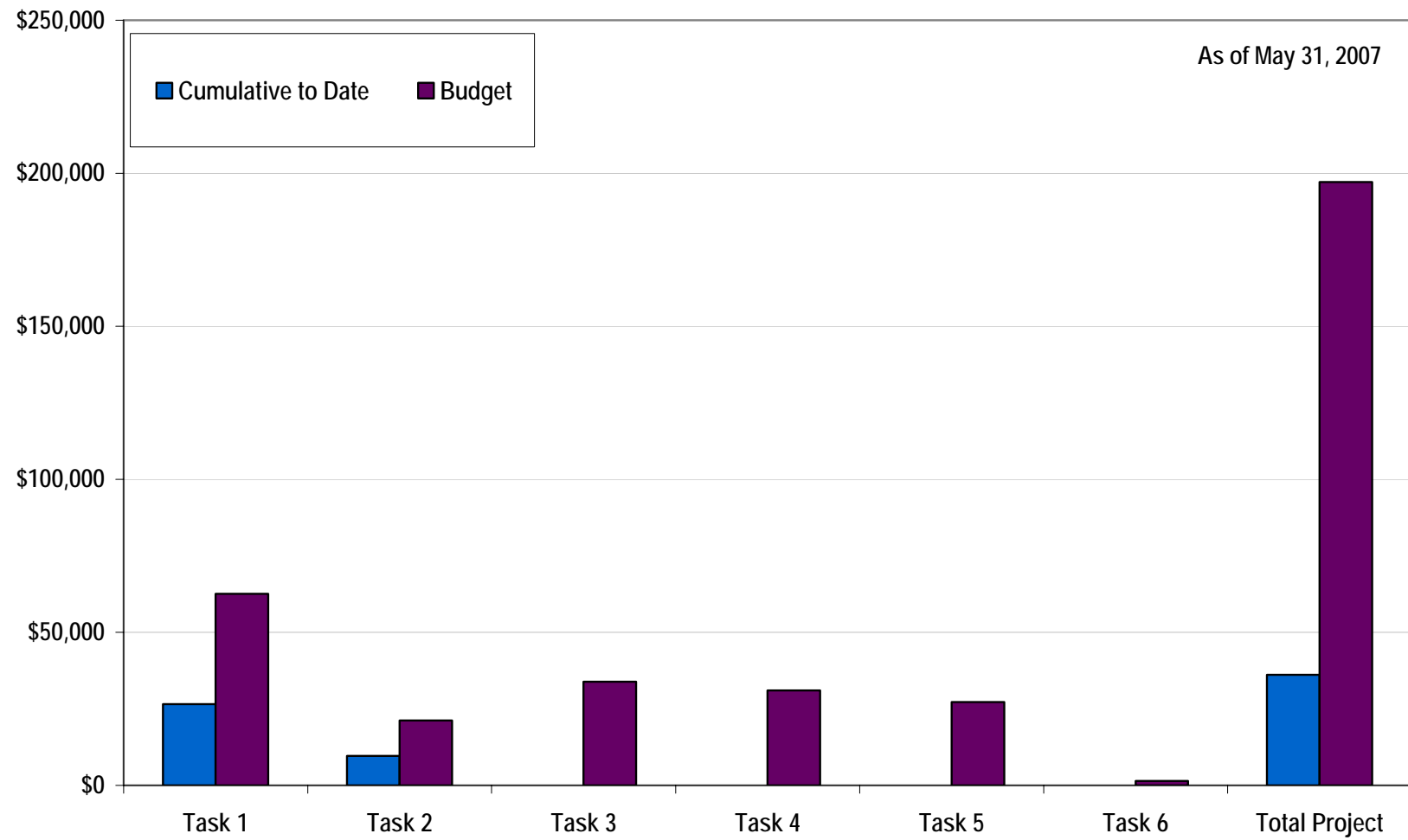


Figure 2. Cumulative Expenditures Versus Budget

